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The CIA's Secre? Viedmam Sively

New York Times

Washington

An official of the Central Intelligence Agency has suggested the possibility of "some kind of negotiated settlement" of the hostilities in South Vietnam.

According to the proposal, which was made public but not endorsed by Administration sources, the negotiated settlement would be based upon neutralization of the area.

Willard Matthias, a member of the CIA's Board of National Estimates, one of the highest units in the agency, was author of the suggestion in a 50-page working paper dated June 8.

Administration officials emphasized that it

did not reflect official Unite States policy. It was ma available apparently only b cause a copy was said have been obtained by Chicago Tribune, which dicated it planned to prince excerpts.

'STALEMATE'

Matthias observed in paper that there was "ser ous doubt that victory can mate" might be achieved.

Working papers of office of the Central Intelligen Agency are almost ne made public. It was believe however, that when Adm istration leaders learned 1 hands of a newspaper t feared some political. might be made of it.

it was felt that the views of a single official suggesting a possible negotiation might. be incorrectly construed as the Administration's policy. Administration sources said it was then decided to make the paper public to demonstrate both that it was not a ceret and that it was of a liscursive nature.

When it was made availaole to the press it had a cover sheet signed by Sherman Kent, chairman of the Board

of National Estimates, stating their offensive more viging that the paper had "gen-orously than ever. eral board approval, though no attempt has been made to every point of it."

DESCRIPTION

A colleague of Matthias described the paper as a "think piece," typical of many which are distributed throughout the various agencies of government.

Qualified sources said. however, that while Matthias' s, views on negotiating a settle-- ment did not reflect the offie cial U.S. position, they were won" and indicated that, at widely held in government best, "a prolonged stalt- and were the subject of recurrent official discussions.

> In his paper entitled "Trends in the World Situation," Matthias wrote:

"The guerrilla war in at South Vietnam is in its fifth a copy had fallen into the year, and no end appears in Y sight. The Vit Cong in the that political evolution within South, dependent largely upon their own resources but ments upon the world scene gime in the North, are press- upon neutralization."

"The political mistakes of the Diem regime inhibited reach general agreement on the effective prosecution of the war, which is really more of a political contest than a military operation, and led to the regime's destruction.

"The counter-guerrilla effort continues to flounder, partly because of the inherent difficulty of the problem and partly because Diem's successors have not yet demonstrated the leadership and inspiration necessary...

"There remains serious doubt that victory can be won, and the situation remains very fragile. If largescale U.S. support continues and if further political deterioration within South Vietnam is prevented, at least a prolonged stalemate can be attained.

"There is also a chance the country and developunder the direction and con- could lead to some kind of trol of the Communist re- negotiated settlement based